

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF MT. OLIVET	)	CASE NO. 9918-ZZ
NATURAL GAS COMPANY, INC.	)	

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On March 28, 1990, the Commission issued its Order in Case No. 9918-WW<sup>1</sup> authorizing Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") to reduce its rates based on a decrease in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective March 1, 1990. On April 11, 1990, Mt. Olivet filed its excess revenues and proposed refund plan pursuant to the Commission's Order in Case No. 9918-WW.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

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<sup>1</sup> Case No. 9918-WW, The Notice of Purchased Gas Adjustment Filing of Mt. Olivet Natural Gas Company, Inc., Order dated March 28, 1990.

(1) Mt. Olivet's notice of April 11, 1990 set out a refund factor which Mt. Olivet proposed to place into effect, said refund factor being designed to pass on excess revenues in the amount of \$1,846 or 33.05 cents per Mcf.

(2) Mt. Olivet proposed a refund factor to be effective for 3 months beginning April 1, 1990. The refund should begin with meter readings taken on April 1, 1990, or as soon as practical thereafter.

(3) Mt. Olivet should refund the amount reported in its application, plus interest, at a rate equal to the average of the "3-Month Commercial Paper Rates" less 1/2 of 1 percent to cover the cost of refunding. These monthly rates are reported in the Federal Reserve Bulletin and the Federal Reserve Statistical Release.

(4) The refund factor should remain in effect until such time as the amount of \$1,846 plus interest has been returned to Mt. Olivet's customers.

IT IS THEREFORE ORDERED that:

(1) Mt. Olivet shall apply a refund factor of 33.05 cents per Mcf as a reduction in its approved rates beginning with meter readings taken on April 1, 1990, or as soon as practical thereafter. The refund factor will terminate when the amount refunded equals \$1,846 plus interest.

(2) Within 30 days of the date the refund factor is terminated, Mt. Olivet shall file with this Commission a summary statement showing a reconciliation of customer billings and the amount refunded.

(3) The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after the date of this Order, subject to refund.

(4) Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the refund factor authorized herein. All other rates and charges shall remain in full force and effect.

Done at Frankfort, Kentucky, this 21st day of May, 1990.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9918-ZZ DATED 5/21/90

The following rates are prescribed for the customers served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Rates:     Monthly

First	1,000 cu. ft. or less	\$6.61	(Minimum Bill)
Next	4,000 cu. ft. per 1,000 cu. ft.	4.8833	
Next	5,000 cu. ft. per 1,000 cu. ft.	4.6833	
Next	10,000 cu. ft. per 1,000 cu. ft.	4.5333	
Over	20,000 cu. ft. per 1,000 cu. ft.	4.3333	

A refund of \$.3305 per Mcf to reconcile overcollections occurring during March 1990.

The base rate for the future application of the purchased gas adjustment clause of Mt. Olivet Natural Gas Company, Inc. shall be:

Demand        Commodity

Columbia Gas Transmission Corporation     -        \$3.4548 per Dth